

Marathon Announces Closing of \$5M Bought Deal Offering of Flow-Through Shares

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Toronto, Ontario – December 21, 2017 – Marathon Gold Corporation (TSX:MOZ; OTCQX: MGDPF) ("**Marathon**" or the "**Corporation**") is pleased to announce the closing of a "bought deal" private placement of an aggregate of 4,066,000 common shares of the Corporation that will qualify as "flow-through shares" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada)) ("**Flow-Through Shares**") at an issue price of \$1.23 per Flow-Through Share (the "**Issue Price**") for aggregate gross proceeds of \$5,001,180 (the "**Offering**"), including the exercise in full of the underwriters' option to purchase an additional 1,650,000 Flow-Through Shares at the Issue Price. The Offering was completed by a syndicate of underwriters led by Canaccord Genuity Corp., on behalf of a syndicate of underwriters that included Haywood Securities Inc., RBC Capital Markets and Raymond James Ltd. (collectively, the "**Underwriters**").

The gross proceeds from the Offering will be used by the Corporation to incur "Canadian exploration expenses" that are "flow-through mining expenditures" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada)) (the "**Qualifying Expenditures**") on the Corporation's properties in the Province of Newfoundland. The Qualifying Expenditures will be renounced to the subscribers of Flow-Through Shares with an effective date no later than December 31, 2017, in the aggregate amount of not less than the total amount of the gross proceeds raised from the Offering.

All securities issued under the Offering will be subject to a hold period expiring four months and one day from the date hereof. The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

"The money will be put to good use with the 15,000 meter winter drill program beginning at the Valentine Lake Gold Camp in early January. The boggy area between the Sprite Deposits and the Marathon Deposit is a prime target for discovering new mineralization while the area is frozen. Step-out drilling at the Marathon Deposit will also focus on expanding the resource. It will be an exciting time," said Phillip Walford, President of Marathon.

About Marathon Gold Corporation

Marathon is a Toronto based gold exploration company rapidly advancing its 100% owned Valentine Lake Gold Camp located in Newfoundland, one of the top mining jurisdictions in the world. The Valentine Lake Gold Camp currently hosts four near-surface, mainly pit-shell constrained, deposits with measured and indicated resources totaling 1,847,000 oz. of gold at 1.88 g/t and inferred resources totaling 1,012,000 oz. of gold at 1.65 g/t. The majority of the resources occur in the Marathon and Leprechaun deposits, which also have resources below the pit shell. Both deposits are open to depth and on strike. Gold mineralization has been traced down over 350 meters vertically at Leprechaun and almost a kilometer at Marathon. The four deposits outlined to date occur in a 30-kilometer gold trend on the property, with much of the 24,000-hectare property having had little detailed exploration activity to date.

The Valentine Lake Gold Camp is accessible by year-round roads and is located in close proximity to Newfoundland's electrical grid. Marathon maintains a 50-person all-season camp at the property. Recent metallurgical tests have demonstrated 93% to 98% recoveries via conventional milling and 50% to 73% recoveries via low cost heap leaching at both the Leprechaun and Marathon Deposits.

To find out more information on the Valentine Lake Gold Camp please visit www.marathon-gold.com.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation based on expectations, estimates and projections as at the date of this news release. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the use of the proceeds of the Offering; the timing and ability of the Corporation, if at all, to obtain final approval of the Offering from the Toronto Stock Exchange; objectives, goals or future plans; statements regarding exploration results and exploration plans. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, capital and operating costs varying significantly from estimates; the preliminary nature of metallurgical test results; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; uncertainties relating to the availability and costs of financing needed in the future; changes in equity markets; inflation; fluctuations in commodity prices; delays in the development of projects; the other risks involved in the mineral exploration and development industry; and those risks set out in the Corporation's public documents filed on SEDAR at www.sedar.com. Although the Corporation believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.